Modernisation of Coal Mines

*362. SHRI PREM CHAND GUPTA: Will the Minister of COAL be pleased to state:

(a) what are Government plans to modernise the coal mines in order to increase production; and

(b) whether the private sector is being allowed to invest in this programme?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) Reorganisation of existing mines, introduction of modern technology and opening of new mines are continuous activities in the coal sector for enhancing production. Seventeen mining projects each costing over Rs. 100 crores are under implementation, of which 15 are in Coal India Limited and two are in Singareni Collieries Company Limited. Coal production is targetted to increase from 296 million tonnes in 1997-98 to 370 million tonnes in 2001-02 as a result of these steps for modernisation.

(b) No, Sir.

MR. CHAIRMAN: You should have read it slowly. Nobody has followed it.

SHRI PREM CHAND GUPTA: Sir this is a stereotyped reply. Whether he reads it slowly or quickly, it does not make any difference.

Sir, coal is the primary source of energy, accounting for 67 per cent of the total energy consumption in the country. The Government, in its reply, to my question has stated:

> "Reorganisation of existing mines, introduction of modern technology and opening of new mines are continuous activities in the coal sector for enhancing production."

The gap between demand and supply is increasing day by day. In 1995-96, the demand was 278 million tonnes and production was 270 million tonnes. In 1996-97, the production was 285 million tonnes against the demand of 320 million tonnes. In 1997-98, the production was 295 million tonnes as against the demand of 375 million tonnes. The Government in its reply has said that we will increase the production from 295 million tonnes to 370 million tonnes by the year 2001-2. The Ministry of Coal in its written document has stated that they cannot increase production beyond 10—15 million tonnes per year. In that case, how is the Government going to achieve the target of 370 million tonnes by the year 2001-02?

My second question is, what coordinated steps the Ministry of Coal is taking to increase the production. What type of new technology, when and where, is being introduced. Rather than taking up upgradation on a piece-meal basis, what are the concerted efforts which the Ministry of Coal intends to take up?

SHRI DILIP RAY: Sir, I can assure you that there is no gap between the demand and the supply. What we have worked out as per our Ministry is that we will have a surplus of coal of 12 million tonnes by the end of the Ninth Plan.

Regarding the steps taken, modern technology for modernisation of coalmines is a continuous process. By this maximum exploitation of coal is those reserves is to be taken up. In the open-cast mines, deployment of large capacity shovels, dumpers and draglines have been taken up and in the underground mines Mechanised Mard and pillar system, new technology slide discharge loaders/load Haul Dumpers are being adopted. Powered Support Longwall, Blasting gallery, Cable Bolting continuous Miner are among the new technology that is coming into the coalmines.

Regarding the coal-mining projects, which we have taken up, I have already mentioned in the answer that 17 coal mining projects costing about Rs. 100/- crores each have been taken up. Fifteen coalmines have been taken up at Singareni Coalfield. Do you want to know the names of the projects?

MR. CHAIRMAN: You can lay that on the Table of the House.

SHRI PREM CHAND GUPTA: What are the steps in principle you are taking?

SHRI DILIP RAY: These are the steps we are taking for modernisation.

SHRI PREM CHAND GUPTA: Sir, whatever increase in production we had during the last few years it was only from open-cast mining. In the underground mining our production is not increasing. The Government is saying that they are introducing new technology and they are doing this and that, but it is not going to serve any purpose, because the figures state that the gap between the demand and the supply is increasing day after day. Sixty per cent of our thermal capacity is dependent on coal supply. Unless concerted efforts are undertaken, the whole infrastructure is going to collapse. Sir, 50 years after independence....

MR. CHAIRMAN: Please put a specific question.

SHRI PREM CHAND GUPTA: Sir, my question is what specific steps the Government intends to take to ensure there is a real increase in production. The Government has stated we intend to increase production from 296 million tonnes to 370 million tonnes in two years, whereas the Ministry of Coal in its written document says that we cannot increase production beyond 10 to 15 million tonnes. So, how are they going to achieve this production target?

SHRI DILIP RAY: I have already answered the question about our plans for raising production. I can assure you there is no gap between the supply and the demand. The Planning Commission report was that by the end of the Ninth Plan we will have minus 350 million tonnes. We have already sent the report back to the Planning Commission to re-assess the whole situation, but, as per our report, it should be about 12 million tonnes in excess.

श्री संजय निरुपम: सभापति महोदय, पूरे सवाल का सार यह है कि उत्पादन क्षमता बढ़ाने के बारे में मिनिस्टरी क्या विचार कर रही है? इस पर मंत्री जी ने जवाब दिया कि—"There is no gap between demand and supply."

मैं पूरी नम्रता से बताना चाहता हूं मंत्री महोदय, को, कि उनके पास पूरी सही जानकारी नहीं है। जो हमारी स्टैंडिंग कमेटी है स्टील की, इंडस्ट्रीज की, उसमें पीछे स्टील सेक्रेटरी ने आकर हमें बताया था कि "सेल" को कोल इसलिए इम्पोर्ट करना पड़ रहा है क्योंकि जितनी हमारी डिमांड है, वह डिमांड कोल मिनिस्ट्री - यानि सी०सी०एल० पूरा नहीं कर पा रही है। तो पहली बात मैं यह पूछना चाहता हूं कि यह जो जानकारी उन्होंने यहां दी है कि—"There is no gap between demand and supply." यह जानकारी किस आधार पर दी है? मैं यहां यह बताना चाहता हूं कि कोल इम्पोर्ट करने के संदर्भ में दो तर्क आमतौर पर दिए जाते है, पहला तर्क यह कि हमारे यहां के कोल की जो क्वालिटी है वह स्पेशली स्टील प्लांटस के लिए अच्छी नहीं है और दूसरा तर्क यह कि जो डिमांड है उसको हमारे यहां के पब्लिक सेक्टर कोल इंडस्ट्री के पूरा नहीं कर पाते हैं। मेरा सवाल यह है, सर, कि क्या कोल क्वालिटी डवलप करने के लिए जितना ऐश कंटेन्ट है उसमें, उसको कम करने के लिए विशेष तौर पर उनकी कोई मोडर्नाइजेशन की स्कीम चल रही है? क्या कोई विशेष तौर पर योनजा बनाई जा रही है कि कोल को डवलप किया जाए ताकि जो बेसिकली सेल के इंटिग्रेटेड स्टील प्लांटस हैं और जो कोल इम्पोर्ट कर रहे हैं, वह कोल इम्पोर्ट करना छोड़ दें? एक सवाल मेरा यह है। दूसरा मेरा सवाल यह है कि अगर कोई गैप ही नहीं है सप्लाई और डिमांड में, तो उत्पादन क्षमता बढ़ाने की फिर जरूरत ही क्या है?

SHRI DILIP RAY: Mr. Chairman, Sir, regarding the improvement of quality of coal, we are putting up a lot of washeries. The hon. Member has pointed about import of coal by the Steel Authority of India. They need metalurgical grade coal. We do not have that type of coal. The ash content in the Indian coal is very high. What we do is we blend imported coal with Indian coal and then supply it to the steel plants. This is the only thing we can do.

श्री संजय निरुपम: सर, जो स्टील प्लांटस को नोन कोकिंग कोल चाहिए, उस नोन कोकिंग कोल की जो उनकी डिमांड है, क्या हमारी मिनिस्टर उस डिमांड को

पूरा करने की स्थिति में नहीं है? मेरा सवाल यह है। माननीय मंत्री जी जिस कोल की बात कर रहे हैं वह कोई दूसरा ही कोल बता रहे हैं, जबकि बेसिकली नोन कोकिंग कोल चाहिए स्टील अथोरिटी आफ इंडिया को।

SHRI DILIP RAY: Sir, the non-coking coal is mainly available in BCCL and CCL. These are very old mines which we have. I think they are more than 100 years old. There the mining is very difficult. However, we are trying to meet the demand of the steel companies.

SHRI JIBON ROY: Mr. Chairman, Sir, I wish to know from the hon. Minister whether it is a fact that the Ministry of Coal has recommeded to the Ministry of Law to issue a notification to provide free mining right to a company, a joint venture company, registered in Mauritius in which Mittlas will hold mjaoirty shares. This is being done by overriding the Coal Mines Nationalised Act which was amended in 1993, Section 3 (a), para 3; and the MMRD Act on the plea that this company would supply coal to the first track power projects in Bhadravati which is holding company of another company registered in Mauritius. If the answer is 'yes', what is the reason thereof? If the answer is 'no', will the hon. Minister give the House an assurance that no such rights would be given to a company which does not produce both power and coal together?

SHRI DILIP RAY: Sir, I need a separate notice for this question.

SHRI JIBON ROY: But my question comes from the main question.

MR. CHAIRMAN: Anyway, he does not have the answer. He requires notice for your question.

SHRI BRAHMAKUMAR BHATT: Mr. Chairman, Sir, in the Ninth Five Year Plan the envisaged coal production is 370 million tonnes. As per my knowledge, there are enough ground stocks in the thermal power stations in the country. That is one.

Second, 50 per cent of the freight movement by the Railways is only coal. The income of the Railways is corelated with the movement of coal. I would like to know from the hon. Minister, in view of the sufficient ground stocks for 30 days, 40 days and some times for 60 days, why is the Government permitting import of coal from other countries?

Which Electricity Boards or which companies have requested for import, for grading of coal. I would like to inform that even by grading certain power stations in the country, we will not be able to absorb this imported coal. There has to be some modernisation of the electricity plants also. What is the necessity of import and now many import licences have been given for import of coal to different Electricity Boards in the country?

SHRI DILIP RAY: Sir, as far as the import of coal is concerned, I have already mentioned that the metallurical grade coal is being improted. As far as the question of import of coal at certain places is concerned, I will give an example of how coal is more costly in India than in Indonesia though the raising cost of coal in India and Indonesia is the same. For example, the raising cost of coal in the Eastern Coal Limited is about Rs. 165.5 paisa per ton and the value of the same quantity of the Indonesian coal is Rs. 165.16 paisa, which is more. But when it comes to levies, duties and cess, it is Rs. 82/- in the CCL whereas it is only Rs. 33.31 paisa in the case of improted coal. The major factor responsible for this difference is the cost of transportation. While the cost of transportation of coal from the Eastern Coal Fields to Chennai will be about Rs. 133.62 paisa, the transportation cost of carrying coal from Inidonesia to Chennai will be Rs. 87.76 paisa. We are mainly outpriced because of the costly railway transport system. That is why it has been mostly imported.

SHRIMATI KAMLA SINHA: Sir, the Minister has said that we have a shortage of coal and the Ministry is trying to increase the production of coal by various methods. I would like to know from the Minister whether he is aware of the fact that in Jharia, a large part of the coal is being burnt underground. The fire has been going on for the last fifty, sixty years. The Minister also referred to the Central Coal Fields Limited, which according to him, are the oldest mines. There also, a large part of the coal mines is burning. I would like to know whether any steps are being taken by the Government to see that the fire is extinguished and the coking coal can be produced in a large quantity in the CCL because a large number of coal reserves are still there. What is being done to raise the coal in these areas?

SHRI DILIP RAY: Sir, I did not say that there is shortage of coal. I said that we are trying to meet the demand, and as per the demand, we are raising the coal. So far as the question of fire in Jharia and the CCL is concerned, I would like to inform the House that it is not only fifty, sixty years old but the fire in Jharia and the CCL is more than ninety years old. We have already taken certain steps to control it. We have got a foreign expert to do a study on it. We have already started spending money on this to see to it that this fire is controlled.

SHRIMATI KAMLA SINHA: Sir, unfortunately, the same answer has been given by the Minister in the past also.

MR. CHAIRMAN: Question, No. 363.

Withdrawal of Defence PSUs from Disinvestment Commission

†*363. SHRI JIBON ROY: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Four defence PSUs withdrawn from Disinvestment Commission" appearing in the Hindu, dated the 12th November, 1997; and

(b) if so, the reasons for which the PSUs are being referred to Disinvestment Commission without consulting the concerned administrative Ministries, management and workers;

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes, Sir.

(b) At the time of referring PSEs to the Disinvestment Commission, it is not considered necessary to consult administrative Ministries as the Commission, after examination, may not recommend disinvestment in a particular PSE. At the time of processing the recommendations of the Disinvestment Commission for acceptance, the administrative Ministry and Management of the PSE concerned are duly consulted and their views considered.

Disinvestment by PSUs

†*376. SHRI K. RAHMAN KHAN: Will the Minister of INDUSTRY be pleased to state:

(a) the number of PSUs that have been identified for disinvestment by the Disinvestment Commission;

(b) whether Government have in principle agreed on the recommendations of Disinvestment Commission;

(c) whether the Disinvestment Commission has the right to monitor the disinvestment or it is only a recommending body; and

(d) whether Government will consider giving statutory power to the Commission to monitor disinvestment?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) 29 Public Sector Enterprises have been identified for disinvestment so far by the Disinvestment Commission.

(b) The recommendations are examined by the Government for

† Starred Questions Number 363 and 376 were taken together.